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§22–102.

(a) The Commission may issue bonds of the sanitary district in amounts necessary to carry on its work, including for:

(1) acquisition, design, construction, reconstruction, establishment, extension, enlargement, or condemnation of the water and sewer systems in the sanitary district or in an area where extension of the systems may be authorized by law;

(2) acquisition of land or equipment for, or construction, remodeling, enlargement, or replacement of any office or operating building necessary to administer or operate the systems; or

(3) design and construction of trunk sewers and sewers or portions of sewer lines required to relieve septic tank failures and for which no front foot benefit charges can be collected as determined by the Commission, and sewage pumping stations and sewage disposal facilities, including reimbursement to the District of Columbia or other federal authorities for any construction within the District of Columbia.

(b) (1) The Commission may issue bonds of the sanitary district for the acquisition of capital equipment in amounts necessary to carry on its work, including:

(i) computer equipment;

(ii) laboratory equipment;

(iii) maintenance field and yard equipment;

(iv) office equipment;

(v) telecommunication equipment; and

(vi) trucks and fleet vehicles.

(2) The bonds may be issued only to finance the acquisition of equipment:

(i) with a useful life of 4 to 7 years;

(ii) that the Commission expects to finance over a period of 4 years or less; and

(iii) for which the Commission budgets accordingly.

(3) The principal of the bonds issued under this subsection shall be payable annually beginning not more than 1 year after the date of issue.

(4) The bonds issued under this subsection shall mature not more than 4 years after the date of issue.

(5) The aggregate amount of bonds issued under this subsection outstanding at any time may not exceed $15,000,000, subject to annual upward adjustment in accordance with the Consumer Price Index – All Urban Consumers (CPI–U), for the Washington, DC–MD–VA metropolitan area, over the base year 1997.

(c) Except as otherwise provided in this section, bonds issued under this section shall be issued as serial bonds with the principal payable annually, beginning no later than 3 years from the date of issue.

(d) (1) The bonds shall:

(i) be issued in denominations determined by the Commission;

(ii) bear interest annually at rates the Commission determines to be advantageous to the sanitary district and in the public interest; and

(iii) mature no later than 40 years from the date of issue.

(2) The bonds may be:

(i) registered or coupon bonds; or

(ii) registrable as to principal with interest represented by coupons.

(3) The interest on the bonds shall be payable semiannually.

(e) (1) Notwithstanding any other provision of law, the Commission may issue bonds that have a maturity of more than 1 year as fully registered bonds without coupons.

(2) The Commission may determine the form of the bonds issued under paragraph (1) of this subsection for the purposes of:

(i) qualifying the interest on the bonds for exemption from federal income tax; and

(ii) conforming to standards and practices for the registration and transfer of bonds generally followed by banks and trust companies acting as registrars and transfer agents of bonds, including:

1. signing of bonds by facsimile signatures of Commission officers;

2. authentication of bonds by the manual signature of an officer of a bank or trust company signing as the registrar or transfer agent;

3. maintenance by registrars or transfer agents of records of owners of bonds;

4. complying with the standard record date system for payment of interest;

5. issuing bonds on the basis of book entries and certificates; and

6. complying with requirements for the form of bond that is acceptable to central depositories used in the marketing and trading of municipal bond issues.

(f) The bonds of the sanitary district or of the Commission are forever exempt from taxation by the State and counties and municipalities in the State.

(g) The bonds may be made redeemable before maturity at the option of the Commission at the prices and under terms and conditions that the Commission sets before the bonds are issued.

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